



**bhm cpa group, inc.**  
CERTIFIED PUBLIC ACCOUNTANTS

---

MARION PUBLIC HEALTH  
MARION COUNTY

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2022

---

One East Campus View Blvd. Suite 300 • Columbus, OH 43235 • (614) 430-0590 • FAX (614) 448-4519  
PO Box 875 • 129 Pinckney Street • Circleville, OH 43113 • (740) 474-5210 • FAX (740) 474-7319  
PO Box 687 • 528 S. West Street • Piketon, OH 45661 • (740) 289-4131 • FAX (740) 289-3639

[www.bhmcpgroup.com](http://www.bhmcpgroup.com)



OHIO AUDITOR OF STATE  
KEITH FABER



88 East Broad Street  
Columbus, Ohio 43215  
IPAReport@ohioauditor.gov  
(800) 282-0370

Board of Health  
Marion Public Health  
181 S. Main St  
Marion, OH 43302

We have reviewed the *Independent Auditor's Report* of the Marion Public Health, Marion County, prepared by BHM CPA Group, Inc., for the audit period January 1, 2022 through December 31, 2022. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Marion Public Health is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

**July 10, 2023**

**This page intentionally left blank.**

Marion Public Health  
Marion County  
Table of Contents

<u>TITLE</u>	<u>PAGE</u>
Independent Auditor’s Report.....	1
Combined Statement of Receipts, Disbursements, and Changes In Fund Balances (Regulatory Cash Basis) – All Governmental Fund Types For the Year Ended December 31, 2022.....	4
Notes to the Financial Statements For the Year Ended December 31, 2022.....	5
Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2022.....	14
Notes to the Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2022.....	15
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	16
Independent Auditor’s Report on Compliance with Requirements Applicable to Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance.....	18
Schedule of Findings.....	21
Schedule of Prior Audit Findings .....	23

**This page intentionally left blank.**



**INDEPENDENT AUDITOR'S REPORT**

Marion Public Health  
Marion County  
181 S. Main Street  
Marion, Ohio 43302

To the Board:

***Report on the Audit of the Financial Statements***

***Unmodified and Adverse Opinions***

We have audited the financial statements of Marion Public Health, Marion County, Ohio (the District), which comprises the cash balances, receipts and disbursements for each governmental fund type as of and for the year ended December 31, 2022, and the related notes to the financial statements.

***Unmodified Opinion on Regulatory Basis of Accounting***

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental fund type as of and for the year ended December 31, 2022, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District, as of December 31, 2022, or the changes in financial position thereof for the year then ended.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As described in Note 2 of the financial statements, the financial statements are prepared by District on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

***Emphasis of Matter***

As discussed in Note 13 to the financial statements, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the District. We did not modify our opinions regarding this matter.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.



- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Supplementary Information***

Our audit was conducted to opine on the financial statements as a whole.

The Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis and is not a required part of the financial statements.

The schedule is the responsibility of management and derives from and relates directly to the underlying accounting and other records used to prepare the financial statements. We subjected this schedule to the auditing procedures we applied to the financial statements. We also applied certain additional procedures, including comparing and reconciling the schedule directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated in all material respects in relation to the financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 30, 2023, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.

*BHM CPA Group*

BHM CPA Group, Inc.  
Piketon, Ohio  
May 30, 2023

**Marion Public Health**  
*Marion County*  
*Combined Statement of Receipts, Disbursements*  
*and Changes in Fund Balances (Regulatory Cash Basis)*  
*All Governmental Fund Types*  
*For the Year Ended December 31, 2022*

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>
<b>Cash Receipts</b>			
Charges for Services	\$ 194,230	\$ 129,943	\$ 324,173
Fines, Licenses and Permits	69,618	222,439	292,057
Intergovernmental			
Apportionments	300,553	-	300,553
State Subsidy	39,681	-	39,681
Grants	-	1,569,974	1,569,974
Other	340,915	69,519	410,434
Miscellaneous	81,756	116,759	198,515
<i>Total Cash Receipts</i>	<u>1,026,753</u>	<u>2,108,634</u>	<u>3,135,387</u>
<b>Cash Disbursements</b>			
Current:			
Health:			
Salaries & Benefits	445,972	1,405,246	1,851,218
Supplies	21,951	46,344	68,295
Equipment	22,179	6,153	28,332
Contract Services	159,475	357,405	516,880
Travel & Expenses	10,532	54,345	64,877
Advertising & Printing	1,923	2,171	4,094
Maintenance	-	14,444	14,444
Improvements	-	22,216	22,216
Other Expenses	-	119,565	119,565
Vaccine	-	74,328	74,328
Remittance-State	97,762	14,831	112,593
State of Ohio Permit Fee	-	2,300	2,300
Utilities	46,942	20,925	67,867
ODD Grant All Expenses	-	166,790	166,790
All Expenses	6,069	2,458	8,527
ARRA HSTS Improvement Assist	-	202,550	202,550
Debt Service:			
Principal Retirement	-	31,651	31,651
Interest and Fiscal Charges	-	19,593	19,593
<i>Total Cash Disbursements</i>	<u>812,805</u>	<u>2,563,315</u>	<u>3,376,120</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>213,948</u>	<u>(454,681)</u>	<u>(240,733)</u>
<b>Other Financing Receipts (Disbursements)</b>			
Transfers In	-	230,000	230,000
Transfers Out	(230,000)	-	(230,000)
Advances In	222,000	205,000	427,000
Advances Out	(205,000)	(222,000)	(427,000)
<i>Total Other Financing Receipts (Disbursements)</i>	<u>(213,000)</u>	<u>213,000</u>	<u>-</u>
<i>Net Change in Fund Cash Balances</i>	948	(241,681)	(240,733)
<i>Fund Cash Balances, January 1</i>	<u>346,227</u>	<u>1,181,346</u>	<u>1,527,573</u>
<i>Fund Cash Balances, December 31</i>	<u>\$347,175</u>	<u>\$939,665</u>	<u>\$1,286,840</u>

See accompanying notes to the basic financial statements

**Marion Public Health**  
*Marion County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

---

**Note 1 – Reporting Entity**

The constitution and laws of the State of Ohio establish the rights and privileges of Marion Public Health, Marion County, (the District) as a body corporate and politic. A seven-member Board governs the District. The District’s services include communicable disease investigations, immunization clinics, inspections, public health nursing services, and issues health-related licenses and permits.

On January 1, 2010, the District Board of Health, Marion County, and the City of Marion Health Department merged, creating a new entity known as Marion Public Health.

The District’s management believes these financial statements present all activities for which the District is financially accountable.

***Public Entity Risk Pools***

The District participates in the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio Local governments. Note 10 to the financial statements provides additional information for this entity.

**Note 2 – Summary of Significant Accounting Policies**

***Basis of Presentation***

The District’s financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types organized on a fund type basis.

***Fund Accounting***

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the District are presented below:

***General Fund*** The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the District for any purpose provided it is expended or transferred according to the general laws of Ohio.

***Special Revenue Funds*** These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The District had the following significant Special Revenue Funds:

***Public Home Nursing Services (PHNF) Fund*** This fund receives income from various clinics and an interagency agreement with Marion Adolescent Pregnancy Program. This revenue is used for the staff and for supplies to provide services.

***Women, Infants, and Children (WIC) Fund*** This Federal grant fund accounts for the Special Supplemental Nutrition Program.

**Marion Public Health**  
*Marion County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

---

***Basis of Accounting***

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

***Budgetary Process***

The Ohio Revised Code requires the District to budget each fund annually

***Appropriations*** Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The District Board must annually approve appropriation measures and subsequent amendments. Appropriations lapse at year end.

***Estimated Resources*** Estimated resources include estimates of cash to be received (budgeted receipts) plus cash as of January 1. The County Budget Commission must approve estimated resources.

***Encumbrances*** The Ohio Revised Code requires the District to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2022 budgetary activity appears in Note 3.

***Capital Assets***

The District records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

***Accumulated Leave***

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

***Fund Balance***

Fund balance is divided into five classifications based primarily on the extent to which the District must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

**Marion Public Health**  
*Marion County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

---

***Nonspendable*** The District classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact. For regulatory purposes, nonspendable fund balance includes unclaimed monies that are required to be held for five years before they may be utilized by the District and the nonspendable portion of the corpus in permanent funds.

***Restricted*** Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

***Committed*** The Board can *commit* amounts via formal action (resolution). The District must adhere to these commitments unless the Board amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

***Assigned*** Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as *restricted* or *committed*. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

***Unassigned*** Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

For regulatory purposes, limited disclosure related to fund balance is included in Note 12.

**Note 3 – Budgetary Activity**

Budgetary activity for the year ending December 31, 2022, follows:

2022 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$993,000	\$1,026,753	\$33,753
Special Revenue	3,396,979	2,338,634	(1,058,345)
Total	\$4,389,979	\$3,365,387	(\$1,024,592)

**Marion Public Health**  
*Marion County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

2022 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$1,424,062	\$1,137,093	\$286,969
Special Revenue	3,367,075	2,787,761	579,314
Total	\$4,791,137	\$3,924,854	\$866,283

**Note 4 – Deposits and Investments**

As required by Ohio Revised Code, the Marion County Treasurer is custodian for the District's deposits. The County's deposit and investment pool holds the District's assets, valued at the Treasurer's reported carrying amount.

**Note 5 - Debt**

Debt outstanding at December 31, 2022, was as follows:

	Principal	Interest Rate
2013 Promissory Note	\$305,316	4.14%
2018 Promissory Note	\$100,381	5.52%
Total	\$405,697	

The District has a promissory note through First Citizens National Bank. The note was obtained in 2013 in the amount of \$517,300 and will be repaid in annual installments of \$37,911, including interest over 20 years, with final maturity in 2032. The District's property is pledged as collateral.

On August 15, 2018, the District obtained a promissory note through First Citizens National Bank in the amount of \$140,000. The Note will be repaid in annual installments of \$13,333, including interest, over 14 years, with final maturity in 2032. The District's property is pledged as collateral.

Amortization of the above debt, including interest is scheduled as follows:

Year Ending December 31:	First Citizens Loan
2023	\$51,244
2024	51,244
2025	51,244
2026	51,244
2027	51,244
2028-2032	256,220
Total	\$512,440

**Marion Public Health**  
*Marion County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

---

**Note 6 – Intergovernmental Funding and Property Taxes**

***Intergovernmental Funding***

The County apportions the excess of the District's appropriations over other estimated receipts among the townships and municipalities composing the District, based on their taxable property valuations. The County withholds the apportioned excess from property tax settlements and distributes it to the District. The financial statements present these amounts as intergovernmental receipts.

**Note 7 – Interfund Balances**

Outstanding advances at December 31, 2022, consisted of \$25,000 advanced to WIC, \$10,000 advanced to CHC, \$10,000 advanced to Public Health Infrastructure, \$40,000 advanced to Public Health Workforce, \$15,000 advanced to COVID-19 Enhanced Operations, \$60,000 advanced to Lead Safe Housing, \$25,000 advanced to COVID-19 Vaccination Grant, and \$20,000 advance to OHIZ \$50,000 advanced to funds to provide working capital for operations and projects.

**Note 8 – Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

The District's elected officials and employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan's benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries, and the District contributed an amount equaling 14 percent of participants' gross salaries. The District has paid all contributions required through December 31, 2022.

**Note 9 – Postemployment Benefits**

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plan, which includes multiple health care plans including medical coverage, prescription drug coverage, and deposits to a Health Reimbursement Arrangement, to qualifying benefit recipients. The portion of employer contributions allocated to health care for OPERS members in the traditional pension plan and combined plan was 0 percent during calendar year 2022. The portion of employer contributions allocated to health care for OPERS members in the member-directed plan was 4 percent during calendar year 2022.

Effective January 1, 2022, OPERS discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses.

**Note 10 – Risk Management**

***Risk Pool Membership***

The District is a member of the Public Entities Pool of Ohio (The Pool). The Pool assumes the risk of loss up to the limits of the District's policy. The Pool covers the following risks:

**Marion Public Health**  
*Marion County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

---

- General liability and casualty
- Public official's liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31, 2021 (latest information available):

	2021
Cash and Investments	\$41,996,850
Actuarial Liabilities	\$14,974,099

During 2022, the District made no payments for casualty claims that exceeded the limits of the casualty policy and no payments for property claims that exceeded the limits of the property policy.

During 2022, the District made no significant changes to coverage from prior year.

**Note 11 – Contingent Liabilities**

Amounts grantor agencies pay to the District are subject to audit and adjustment by the grantor, principally the federal government. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

**Note 12 – Fund Balances**

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	General	Special Revenue	Total
Outstanding Encumbrances	94,288	224,446	318,734
Total	\$94,288	\$224,446	\$318,734

The fund balance of special revenue funds is either restricted or committed. In the general fund, outstanding encumbrances are considered assigned.



**Marion Public Health**  
*Marion County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

---

**Note 13 – COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. During 2022, the District received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the District. The impact on the District's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

**Note 14 – Identification of Grants Received Through the Ohio Department of Health**

Federal Entity: US Department of Agriculture  
Pass-Through Entity: Ohio Department of Health  
Federal Grant: Special Supplemental Nutrition Program for Women, Infants, and Children  
Federal ALN #: 10.557  
Project Number: 05110011WA1423  
2022 Receipt Amount: \$55,930

Federal Entity: US Department of Agriculture  
Pass-Through Entity: Ohio Department of Health  
Federal Grant: Special Supplemental Nutrition Program for Women, Infants, and Children  
Federal ALN #: 10.557  
Project Number: 05110011WA1322  
2022 Receipt Amount: \$331,649

Federal Entity: US Department of Agriculture  
Pass-Through Entity: Ohio Department of Health  
Federal Grant: Special Supplemental Nutrition Program for Women, Infants, and Children  
Federal ALN #: 10.557  
Project Number: 05110011WA1221  
2022 Receipt Amount: \$20,598

Federal Entity: US Department of Health and Human Services  
Pass-Through Entity: Ohio Department of Health  
Federal Grant: Preventive Block and Health Services Block Grant  
Federal ALN #: 93.991  
Project Number: 05110014CC1322  
2022 Receipt Amount: \$105,000

Federal Entity: US Department of Health and Human Services  
Pass-Through Entity: Ohio Department of Health  
Federal Grant: Public Health Emergency Preparedness  
Federal ALN #: 93.069  
Project Number: 05110012PH1423  
2022 Receipt Amount: \$22,145

**Marion Public Health**  
*Marion County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

---

Federal Entity: US Department of Health and Human Services  
Pass-Through Entity: Ohio Department of Health  
Federal Grant: Public Health Emergency Preparedness  
Federal ALN #: 93.069  
Project Number: 05110012PH1322  
2022 Receipt Amount: \$64,699

Federal Entity: US Department of Health and Human Services  
Pass-Through Entity: Ohio Department of Health  
Federal Grant: Public Health Emergency Preparedness  
Federal ALN #: 93.069  
Project Number: 05110012PH1221  
2022 Receipt Amount: \$11,163

Federal Entity: US Department of Health and Human Services  
Pass-Through Entity: Ohio Department of Health  
Federal Grant: Opioid STR  
Federal ALN #: 93.788  
Project Number: 05110014IN0423  
2022 Receipt Amount: \$93,500

Federal Entity: US Department of Health and Human Services  
Pass-Through Entity: Ohio Department of Health  
Federal Grant: Public Health Emergency Response: Cooperative Agreement for Emergency Response  
Federal ALN #: 93.354  
Project Number: 05110012WF0122  
2022 Receipt Amount: \$159,617

Federal Entity: US Department of Health and Human Services  
Pass-Through Entity: Ohio Department of Health  
Federal Grant: Epidemiology and Laboratory Capacity for Infectious Disease  
Federal ALN #: 93.323  
Project Number: 05110012EO0121  
2022 Receipt Amount: \$60,393

Federal Entity: US Department of Health and Human Services  
Pass-Through Entity: Ohio Department of Health  
Federal Grant: Epidemiology and Laboratory Capacity for Infectious Disease  
Federal ALN #: 93.323  
Project Number: 05110012EO0122  
2022 Receipt Amount: \$17,190

Federal Entity: US Department of Health and Human Services  
Pass-Through Entity: Ohio Department of Health  
Federal Grant: Strengthening Public Health Systems through National Partnerships to Improve and Protect the Nation's Health  
Federal ALN #: 93.421  
Project Number: 05110012BR0121  
2022 Receipt Amount: \$2,277

**Marion Public Health**  
*Marion County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2022*

---

Federal Entity: US Department of Health and Human Services  
Pass-Through Entity: Ohio Department of Health  
Federal Grant: Strengthening Public Health Systems through National Partnerships to Improve and Protect the Nation's Health  
Federal ALN #: 93.421  
Project Number: 05110012BR0122  
2022 Receipt Amount: \$68,704

Federal Entity: US Department of Health and Human Services  
Pass-Through Entity: Ohio Department of Health  
Federal Grant: Epidemiology and Laboratory Capacity for Infectious Diseases  
Federal ALN #: 93.391  
Project Number: 05110012CN0122  
2022 Receipt Amount: 37,121

Federal Entity: US Department of Health and Human Services  
Pass-Through Entity: Ohio Department of Health  
Federal Grant: Activities to Support state, tribal, local, and territorial health department response to public health or healthcare crisis  
Federal ALN #: 93.391  
Project Number: 05110011OI0123  
2022 Receipt Amount: \$51,091

**MARION PUBLIC HEALTH  
MARION COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

<b>FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title</b>	<b>Federal Assistance Listing Number</b>	<b>Pass Through Entity Identifying Number</b>	<b>Provided Through to Subrecipients</b>	<b>Total Federal Expenditures</b>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>				
<i>Passed through Ohio Department of Health</i>				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	05110011WA1423	\$ -	\$ 97,857
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	05110011WA1322	-	316,735
			-	414,592
Total U.S. Department of Agriculture			-	<b>414,592</b>
<b>U.S. DEPARTMENT OF Health and Human Services</b>				
<i>Passed Through Ohio Department of Health</i>				
Public Health Emergency Preparedness	93.069	05110012PH1423	-	35,617
Public Health Emergency Preparedness	93.069	05110012PH1322	-	45,150
			-	80,767
Epidemiology and Laboratory Capacity for Infectious Disease	93.323	05110012EO0222	-	19,935
Epidemiology and Laboratory Capacity for Infectious Disease	93.323	05110012EO0121	-	41,724
			-	61,659
Immunization Grants	93.268	05110012CN0122	-	39,846
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	05110012WF0122	-	154,998
Opioid STR	93.788	05110014IN0322	-	122,383
Activities to support state, tribal, local, and territorial health department response to public health or healthcare crises	93.391	05110011OI0123	-	19,996
Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	93.421	05110012BR0222	-	80,885
Preventive Health and Health Services Block Grant	93.991	05110014CC1322	-	111,156
Total U.S. Department of Health and Human Services			-	<b>671,690</b>
<b>Total Expenditures of Federal Awards</b>			<b>\$ -</b>	<b>\$ 1,086,282</b>

The accompanying notes are an integral part of this schedule.

**MARION PUBLIC HEALTH  
MARION COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
2 CFR 200.510(b)(6)  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Marion Public Health, Marion County, Ohio (the District's) under programs of the federal government for the year ended December 31, 2022. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position or changes in net position of the District.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

**NOTE C – INDIRECT COST RATE**

The District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE D – MATCHING REQUIREMENTS**

Certain Federal programs require the District to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The District has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

Marion Public Health  
Marion County  
181 S. Main Street  
Marion, Ohio 43302

To the Board:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the cash balances, receipts, and disbursements for each governmental fund type as of and for the year ended December 31, 2022 and the related notes to the financial statements of Marion Public Health, Marion County, (the District) and have issued our report thereon dated May 30, 2023, wherein we noted the District followed financial reporting provisions Ohio Rev. Code § 117.38 and Ohio Admin. Code 117-2-03(C) permit. We also noted the financial impact of COVID-19 and the ensuring emergency measures will impact subsequent periods of the District.

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purposes of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "BHM CPA Group". The letters are cursive and somewhat stylized.

BHM CPA Group, Inc.  
Piketon, Ohio  
May 30, 2023



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Marion Public Health  
Marion County  
181 S. Main Street  
Marion, Ohio 43302

To the Board:

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Marion Public Health's, Marion County, (the District) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Marion Public Health's major federal programs for the year ended December 31, 2022. Marion Public Health's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, Marion Public Health complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

The District's Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.



### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Marion Public Health  
Marion County  
Independent Auditor's Report on Compliance with Requirements  
Applicable to Each Major Federal Program and on Internal Control Over  
Compliance Required by the Uniform Guidance  
Page 3

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of this testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "BHM CPA Group". The letters are cursive and somewhat stylized.

BHM CPA Group, Inc.  
Piketon, Ohio  
May 30, 2023

MARION PUBLIC HEALTH  
MARION COUNTY

SCHEDULE OF FINDINGS  
2 CFR § 200.515  
DECEMBER 31, 2022

**1. SUMMARY OF AUDITOR'S RESULTS**

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any other significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Program's Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	WIC Special Supplemental Nutrition Program for Women, Infants, and Children ALN 10.557  COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) ALN 93.323
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	No

MARION PUBLIC HEALTH  
MARION COUNTY

SCHEDULE OF FINDINGS  
*2 CFR § 200.515*  
DECEMBER 31, 2022

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

**None**

**3. FINDINGS FOR FEDERAL AWARDS AND QUESTIONED COSTS**

**None**

MARION PUBLIC HEALTH  
MARION COUNTY  
DECEMBER 31, 2022

SCHEDULE OF PRIOR AUDIT FINDINGS

---

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:
2021-001	Material Weakness – <i>Financial Reporting</i>	No	Reissued as a Management Letter comment.

**This page intentionally left blank.**

# OHIO AUDITOR OF STATE KEITH FABER



**MARION PUBLIC HEALTH**

**MARION COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



**Certified for Release 7/20/2023**

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)